

**SWCD Summer Study
Stakeholder Advisory Group
Wednesday, July 11, 2012
West Reading Room, Patrick Henry Building
Richmond, Virginia**

Stakeholder Advisory Group Members Present

Anthony Moore, Deputy Secretary of Natural Resources
Travis Hill, Deputy Secretary of Agriculture and Forestry
Stacey Bradshaw, Chowan Basin Soil and Water Conservation District
Bob Brame, Culpeper Soil and Water Conservation District
Jack Bricker, Natural Resources Conservation Service
Leith Campbell, Independent
Clyde Cristman, Senate Finance
Megan Dalton, Shenandoah Valley Soil and Water Conservation District
Deanna Fehrer, Piedmont Soil and Water Conservation District
Katie Frazier, Virginia Agribusiness Council
Jack Frye, Chesapeake Bay Commission
Jerry Ingle, Virginia Soil and Water Conservation Board
Ann Jennings, Chesapeake Bay Foundation
Andrea Keefer, DPB
Larry Land, VACO
Joe Lerch, Virginia Municipal League
Darrell Marshall, VDACS
Sam Martin, DPB
Lindsay Reams, Virginia Farm Bureau
Alyson Sappington, Thomas Jefferson Soil and Water Conservation District
Bill Street, James River Association
Meaghann Terrien, Three Rivers Soil and Water Conservation District
Don Wells, Virginia Association of Soil and Water Conservation Districts

DCR Staff Present

David Johnson, Director
Jeb Wilkinson, Chief Deputy Director
James Davis-Martin
Michael R. Fletcher
J. Michael Foreman
Roberta Gargiulo
Stephanie Martin
John Moore

Others

Linda Campbell, Shenandoah Valley Soil and Water Conservation District

Adrienne Kotula, James River Association
Katie Ray, Shenandoah Valley Soil and Water Conservation District
Kendall Tyree, Virginia Association of Soil and Water Conservation Districts
Greg Wilchens, Culpeper Soil and Water Conservation District

Call to Order

Mr. A. Moore called meeting to order. He thanked members for attending and for their participation in the study. He asked members, staff and guest to introduce themselves.

Mr. A. Moore turned the meeting over to Mr. Davis-Martin

Mr. Davis-Martin gave a status update. He noted that minutes from the previous meeting had been distributed and that all meeting materials would be available on the DCR website.

Mr. Davis-Martin said that the updated project plan had been distributed. Consensus was that this would be accepted as the final working plan for the study.

Mr. A. Moore said that there were a lot of different tasks associated with the plan. He said that it might be necessary to look at an extension or a part 2 of the study. He said that while the report must be submitted by October, there is a significant amount of work that may not be achievable in that time frame.

Mr. Davis-Martin said that other materials requested at the first meeting were more relevant to the next meeting's agenda and were under development. Those materials include:

- A revision to the 2012 allocation spread sheet, showing ties to the budget
- A similar spread sheet for 2013
- Information on primary and secondary BMP criteria
- Additional information regarding the non-point source assessment
- Maps of NPS assessment hydrologic unit rankings
- Most recent SWCD report card on district performance

Mr. Davis-Martin called on Mr. J. Moore to discuss funding for districts.

Mr. J. Moore presented a handout that showed expenditures for the last five years as they were tied back to the appropriations.

At the last meeting historic funding was presented in an attempt to provide the most accurate information regarding district funding.

Ms. Frazier asked for an explanation of what has been obligated.

Mr. J. Moore said that funds were considered obligated when a contract is signed between DCR and the District.

Ms. Martin noted that every program year begins on July 1. There is an opportunity for structural practices to be carried over another year if those funds are obligated.

Mr. A. Moore asked if the \$22 million had been spent or obligated for BMPs.

Ms. Martin said that DCR would have an accurate reporting after the July 15 reporting date.

Mr. Davis-Martin moved on to the discussion of District Needs. Identified from the last meeting for discussion were:

- a) Essential Operations- Office, Administration, Management (Board Policy Attachment A)
- b) Director Travel/Training
- c) Program Development and Delivery – TMDLs, RMPs, Voluntary BMP Tracking
- d) Technical Assistance – Cost Share Program
- e) Dam Maintenance
- f) Dam Repair
- g) Other?

Mr. Johnson said that he would like to know the source of the estimates for office rental.

Ms. Martin said that the number was from General Services because the costs were statewide.

Ms. Frazier said there should be a formula to determine cost of office space that utilized both the DGS average as well as the market rate in the respective areas.

A member asked about local funding.

Ms. Sappington said that most local funding is dedicated to a specific purpose and that overhead is often not included. She said that to compensate, districts often pay lower salaries to employees.

Mr. Wells said that many districts were associated with USDA service centers.

Mr. Bricker said that NRCS would have those numbers by location. He estimated that an average cost for space rental would range between \$7-24.

Mr. Cristman said that the process should be that the districts provide on an annual basis what the actual cost is.

Mr. Frye said that the numbers in the essential funding were crafted by the Association working with the Soil and Water Conservation Board.

Mr. Cristman said that districts should submit budgets outlining actual costs.

It was noted that localities should not expect districts to perform additional services without providing the funding.

Mr. Wells noted that Soil and Water Conservation Districts are political subdivisions of the state and that localities are not required to provide funding.

Mr. Johnson said that this was the opportunity for districts to tell DCR and the Secretary what the essential funding should be.

Ms. Tyree said that while the essential funding was established at \$124,000, the reality was that districts are not receiving that amount. She said that there needed to be a discussion of what the priorities are in the grant agreements.

Mr. Johnson noted that historically grant agreements have not been tailored to districts. He said that actually hurt the district programs.

Mr. Davis-Martin suggested that districts could provide an annual report or forecast of actual needs that was not tied to the \$124,000 amount. He said that if a template was developed, districts could show how many employees they need and list what other expenses they would have.

Mr. Johnson said that the agency does this every year to prepare a budget.

Mr. Davis-Martin said that he would like to see districts project what they actually need for FY14.

Ms. Sappington said that the districts would need the parameters of what should be covered. She said that districts always feel they can do more and that there are never enough people to do everything that needed to be done.

Mr. Johnson said that there should be a clearer definition in terms of what is essential funding, as well as a clear understanding of what is considered technical assistance.

Ms. Jennings said that it would be helpful for the group to come up with a consensus regarding what is covered under essential operations, what is technical assistance related to agricultural cost-share and what is considered under the other category of technical assistance.

Mr. Wells said that the problem was the budgets were not based on the needs of a district, but were based on funding available.

Mr. Hill said that the first priority should be to have districts submit their actual needs to open their office and to outline what is essential for each district. The other priority would be to address what each district is actually doing. He said these would be two separate submissions for discussion.

Ms. Campbell noted that when the document regarding essential funding was developed with the Board and districts the actual number was significantly higher. But the process was edited down to what is currently considered essential.

Mr. Davis-Martin said that he heard a consensus to move forward in terms of calculating district needs.

Mr. A. Moore suggested that Attachment A to the Board policy be used as a basis for the information requested from the districts. He asked if districts could submit a sample page of what they have actually done.

Ms. Frazier said that for the purposes of the study it might be helpful to have a smaller group of districts provide that information.

Mr. Street noted that agricultural costs-share has moved from discretionary or surplus funds to a continual need. He said that there needs to be a commitment to that.

Ms. Sappington said that it would be helpful to have consistency in funding for technical people. She said that there have been times when employees will leave because of uncertainty regarding their job the following year.

With regard to staff there was discussion that the Code should be changed to remove the percentage criteria. It was noted that as cost-share increased, more staff would be needed.

Mr. Davis-Martin said that a workgroup could develop a template for districts to submit funding needs. The workgroup will also define base budgeting criteria. A meeting for that workgroup would be scheduled at a later date.

Mr. Davis-Martin addressed the assessment needs report.

Mr. Davis-Martin said that time was up for the meeting but that the agenda had not been completed. He said that there may need to be recognition that the work would not be completed by October.

Mr. Davis-Martin said that the next meetings of the study group would be August 1 and August 15 in the same location.

The meeting was adjourned.